

## Meeting agenda item number 17: What are the Main Risks and Challenges for SAIs by Incorporating the Investigative Powers among their Functions?

Due to diverse social, economic and political conditions, in most of the countries, public sector faces a trust crisis, which is reflected in the results of cross-countries surveys on government credibility<sup>1</sup> and on the negative public opinion trend regarding public performance outcomes, as expressed in media and social network.

Due to the aforementioned, it seems that citizens and stakeholders' expectations are beyond the SAIs' mandate. In the Mexican case, the constitutional reforms of May 2015 and, subsequently, the approval of the first package of laws that created the National Anti-Corruption System (SNA, by its acronym in Spanish), was the result of an unprecedented effort by organized civil society, supported by academic institutions and the business sector, regarding transparency and accountability. These reforms included additional attributions to strengthen the SAI of Mexico, including, among other aspects, investigative powers, which have entailed internal and external challenges in accordance with the following:

- Internal challenges

When establishing an internal area in charge of auditing investigative matters to complement audit activities, the whole traditional organizational structure could face new challenges.

- External challenges

When investigative activities should be considered as important functions of the SAI, other relevant aspects regarding the institutional mandate could be set aside.

It is important not to get confused about the investigative powers in comparison with SAIs' jurisdictional functions. They both are parallel tasks, are not necessarily related between each other, and follow different legal processes. Investigative powers are not based on professional audit standards.

For discussion among the WGVBS members:

- a) What are your points of view in connection with SAIs' investigative powers and their corresponding challenges?
- b) What are your experiences in connection with your SAI investigative powers, if any?
- c) How can we avoid stakeholders to incline towards investigative activities at the expense of auditing tasks? (Bearing in mind that investigative activities results may be more attractive to public opinion.)

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<sup>1</sup> "Worldwide Governance Indicators", in *World Bank* (ED, August 2, 2018: <http://info.worldbank.org/governance/WGI/#home>).